

Date: March 15, 2025
To: Senate Committee on Finance and Revenue
From: William Vollmer, citizen
Re: Testimony In Support of SB 681

I am a resident of NE Portland and am submitting this testimony in support of SB681. Several cogent arguments underly this position.

To begin with, I do not believe that private investments in fossil fuels are a stable or reliable investment, and expect our state Treasury to invest responsibly and with future beneficiaries in mind. Our Treasury should favor sustainable investments that protect both the portfolio and the planet. Investments in fossil fuels do not meet these dual goals, nor do investments in predatory private investment firms and companies that greenwash the environmental impact of their activities.

Second, SB681 is a step in the right direction toward meeting Oregon's net zero plan. Last session, the COAL Act enacted one provision of the Treasury's net zero plan, to reduce greenhouse gas emissions. This session, the Pause Act takes up another provision in the net zero plan through its call for a 5 year moratorium on new or renewed commitment to private funds with more than 10% invested in fossil fuels.

Third, the Oregon Treasury currently has 54% of PERS invested in private market investments - over the target set by the Oregon Investment Council and higher than the norm for US public pension funds (38%). While private market funds used to be an investment with high returns, this is no longer true. The private equity market is saturated and returns are down. More than 400,000 Oregonians and their families depend on PERS for their retirement. We owe it to them to invest those funds responsibly. The Treasury needs to start reducing its investment in these products, and stopping new fossil fuel investments is a good step in that direction. The moratorium imposed by SB681 will give the new Treasurer time to transition to less risky investments while rebalancing the portfolio to get in line with policy targets.

Remember that the Pause Act simply calls for no NEW investments in the fossil fuel industry for 5 years. A small ask! There are plenty of alternative investments that can provide good returns and are good for the environment. How can we in Oregon, with our commitment to a green future, continue to invest in fossil fuels? Let us continue our leadership in environmental progress and pass the Pause Act to preserve our treasured landscape for generations to come.

Please vote the Pause Act out of committee. Thank you for your support of SB 681.

Respectfully submitted,

William Vollmer (NE Portland)